

FISCAL NOTE

SB 753 - HB 1353

April 7, 2003

SUMMARY OF BILL: Prohibits the rescission or modification of an authorized health services claim to a provider after the service is authorized by an insurance company, except in a case of fraud. Applies to all Health Maintenance Organizations including TennCare MCOs. The bill does not apply to health plans preempted from state regulation by ERISA.

ESTIMATED FISCAL IMPACT:

MINIMAL

The TennCare Bureau states that current contract language does not allow managed care organizations to rescind payments that have been previously authorized.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James A. Davenport".

James A. Davenport, Executive Director